

Air Force Security Assistance Center



War-winning Capabilities ... On Time, On Cost



New Challenges and New Thinking

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Integrity - Service - Excellence



Overview



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- **AFSAC Mission Focus**
 - **AFSAC in Numbers**
 - **Building Airpower In Iraq and Afghanistan**
 - **Contributions to Global War on Terror (GWOT)**
 - **Information Technology**
 - **Joint Focus Areas**
 - **Process Improvements**
 - **Challenges**
-



AFSAC Mission Focus



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Air Force

Vision Lasting Heritage... Limitless Horizons

Priorities

1. Win the Global War on Terror
2. Develop and Care for Airmen
3. Recapitalize / Modernize

SAF/IA Vision



Build, sustain, expand, and guide relationships that are critical enablers for USAF expeditionary air and space forces conducting global operations and fighting the Global War on Terrorism

AFMC Vision



War winning capabilities...
On time, On cost



AFSAC Mission

Build foreign partner capabilities in support of global security objectives



AFSAC in Numbers



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CY 2006 Portfolio

- ✓ **362 Cases**
 - \$6.3 Billion in LOAs (new business)
- ✓ **258,069 Requisitions Received**
 - \$1.2 Billion Value

TOTAL Portfolio

- ✓ **2392 Cases**
 - \$79.3 Billion Value
 - \$26.6B Undelivered Value
 - Spanning 90 Countries plus 9 NATO Organizations



350 Civil Service



26 Military



56 FLOs



18 Contractor



Building Airpower in Iraq and Afghanistan



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- Recent LOAs: Iraq
 - Surveillance aircraft
 - Air traffic control tower
 - Overhauled Iraq's C-130 fleet
- Recent LOA: Afghanistan
 - New construction at 5 bases
- New LORs: Iraq
 - Jet fuel support
 - Purchase additional surveillance aircraft
- Draft LORs: Iraq
 - Training simulators for rotary/fixed wing aircraft
 - Long Range Air Traffic Support





Contribution to GWOT



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- Recent LOAs
 - Fighters and/or fighter upgrades for Poland, EPAF, Pakistan
 - Cargo aircraft for Australia, Canada and Pakistan
 - UAVs for United Kingdom
 - Fuel for Japanese cargo aircraft
- Potential Business
 - India – Cargo aircraft request
 - Canada and Spain UAV – P&A request



Joint Focus Areas



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- Information Technology
 - Brown-out since 1995
 - Tri-service case execution projected for 2011, plus 6-8 years to implement
 - The services need a tri-service IT strategic plan
 - Impacts
 - No system development or new functionality
 - Not meeting customer requirements





Joint Focus Areas



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- Information Technology
 - Objectives
 - Customer requirements
 - Tri-service solution
 - Tri-service collaboration
 - Two meetings (Oct and Dec 06)
 - Common concerns, interests and solutions
 - Developed recommendations
 - Way Ahead
 - Coordinate recommendations with each service
 - Schedule presentation at FMS Senior Leadership Meeting





Joint Focus Areas



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- In Transition
 - Case Writing Division (CWD) – FOC Mar 07
 - Goal – Seamless transition/transparent to customers
- Continue to Enhance:
 - Worldwide Warehouse Redistribution Services (WWRS)
 - Completed tri-service conversion with full Army integration
 - USAF – 1998, Navy -2001, Army- 2006
 - First Army requisition received Oct 06
 - Record FY06 transfer value (\$10.9M) and number of transfers (3,109)
 - Parts and Repair Ordering System (PROS)
 - Tri-Service Support - Fully automated
 - Air Force-1990, Army-2005, Navy-2006
 - First Navy Requisition received Mar 06
 - CY06: AF-23K/\$201M; Army-42/\$16K; Navy-2.1K/\$2.1M





Joint Focus Areas



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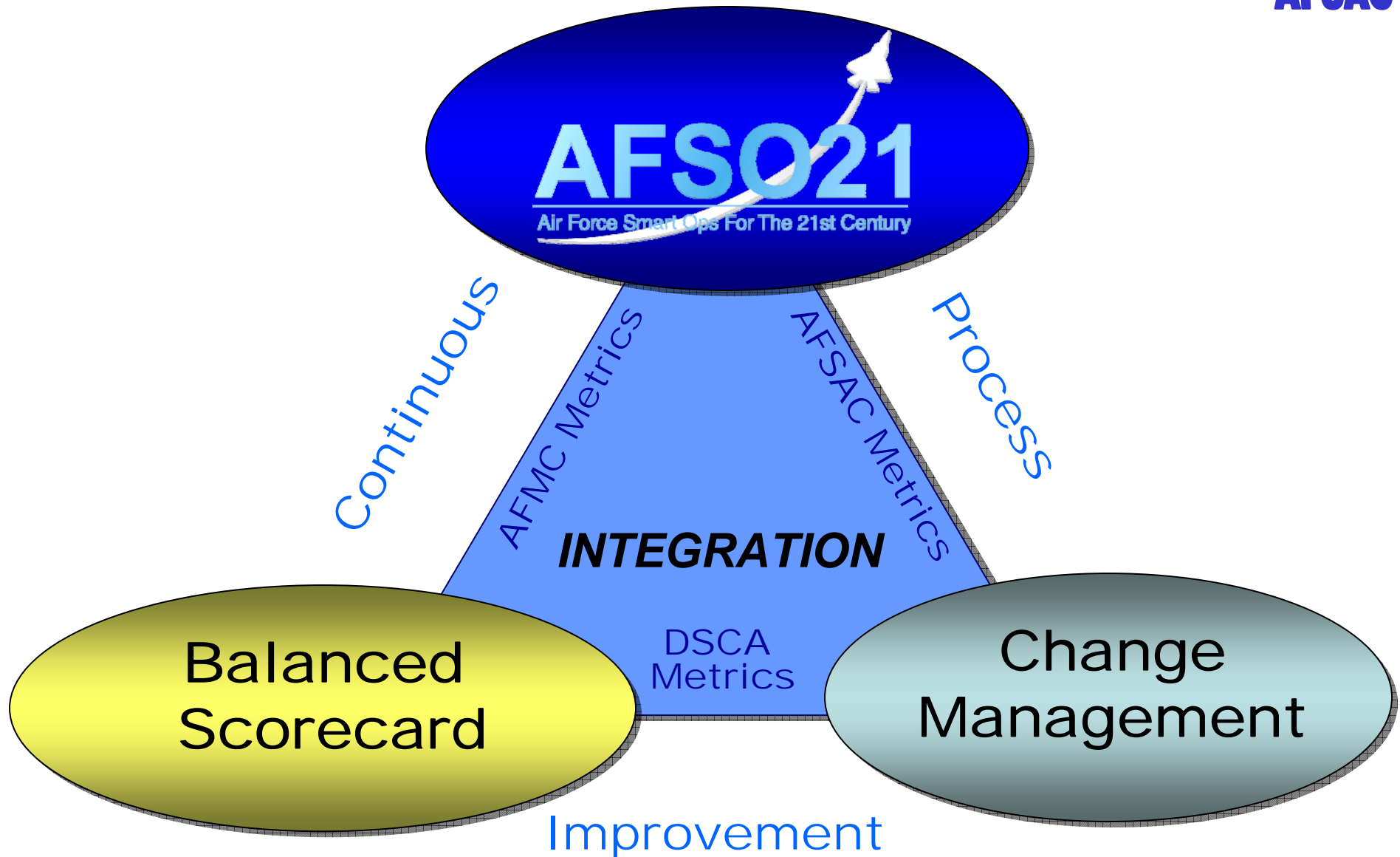
- Potential Future Areas:
 - Enhanced Freight Tracking System (EFTS – Navy)
 - Tracks shipments by communicating with shipper to obtain tracking data
 - Automated Supply Discrepancy Reports (Air Force)
 - Automates the discrepancy submission process
 - Repair and Return (Navy)
 - Allows customers to return items for repair and obtain item information through the repair process
 - Automated LOR (Air Force)
 - Speeds up and improves LOR input



Process Improvements AFSO21



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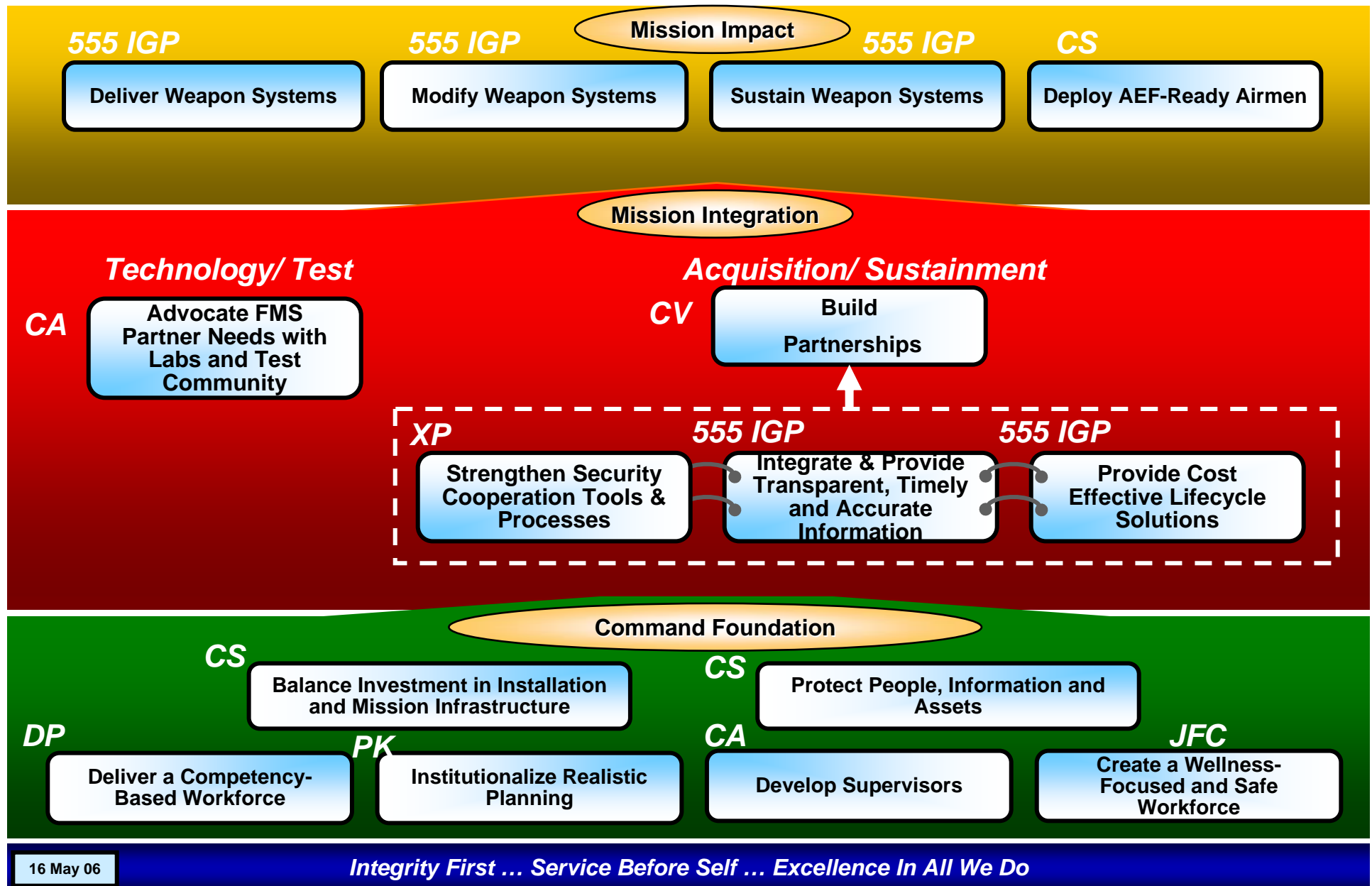




VISION

War-winning Capabilities... On Time, On Cost

AFSAC Mission: Build foreign partner capabilities in support of global security objectives





AFSAC Case Financial Management *Six-Sigma Greenbelt Project*



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Project Title: Reduce Case Closure Inhibitors

Problem Statement

Prior to this project approximately 40% of financial managers, time was spent closing Foreign Military Sales (FMS) cases. Only 20% of the time was spent performing pro-active financial analysis.

Only 22% of supply complete cases were being closed on-time.

Goal/Objective

Reduce case closure time by reducing the number of inhibitors.

Increase focus on providing financial management and support throughout the life of an FMS case.

Expedite returning excess case funds to the FMS customer

Project Results

Over \$92 Million returned to FMS customers in the first year, \$70 million second year. 80% of FMS cases closed on-time.

This is an on-going Continuous Process Improvement Project – next goal 90%



AFSAC Current and Potential AFSO21 Efforts



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Task Name	Qtr 1, 2006	Qtr 3, 2006	Qtr 1, 2007	Qtr 3, 2007	Qtr 1, 2008
Current Process Improvement Projects					
Letter of Offer and Acceptance (LOA)	[Bar]				
Logistics Management Review (LMR)		[Bar]			
In-Processing		[Bar]			
Supply Discrepancy Reports (SDRs)		[Bar]			
Excess Defense Article Process			[Bar]		
Potential Process Improvement Projects					
Foreign Military Sales (FMS) Delivery Reporting			[Bar]		
AFSAC Metrics			[Bar]		
FMS Repair Process		[Bar]			
Price and Availability Process			[Bar]		
ULO Process		[Bar]			
FLO In-Processing			[Bar]		



Challenges



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- Driving to Tri-service solutions
- Balancing Operational Security with Building Partnerships
- Standard Level of Service Interpretation
- [Linking Resource Allocation to Workload](#)
- Supporting Process Improvement / Standardization Initiatives and High Ops Tempo in Security Assistance Business
- Workforce Shaping





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BACKUP

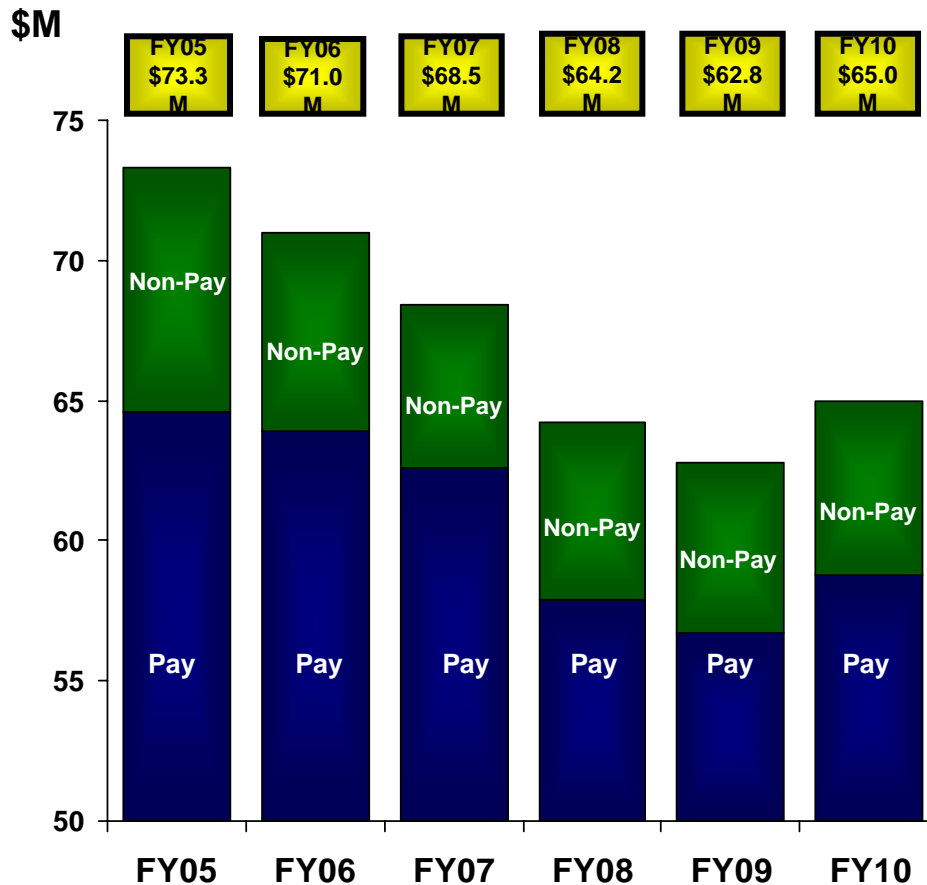


AFMC FMS Admin Surcharge Financial Program



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	FY05	FY06	FY07	FY08	FY09	FY10
Pay	\$64.6	\$63.9	\$62.6	\$57.9	\$56.7	\$58.8
Funded WY	793	753	721	653	624	633
Non-Pay	\$8.7	\$7.1	\$5.9	\$6.3	\$6.1	\$6.2



CONCERNS

- Civ Pay Funding
 - Unfunded mandates not executable
 - DSCA Manpower Matrix
 - Approved pay & benefits increases
 - Reduction in funded W/Ys, not to requirements
- Non-Pay Funding - declining as must pay bills increase
 - Not keeping pace with mission needs
 - No ability to pursue IT improved bus performance solutions
- Funding limitations diminish AFSAC/CC flexibility
 - Civ Pay, IT & ORF
- AFMC not being resourced to meet mission
 - Need DSCA/SAF help to fix
 - Need further study on effects of manpower/funding matrix

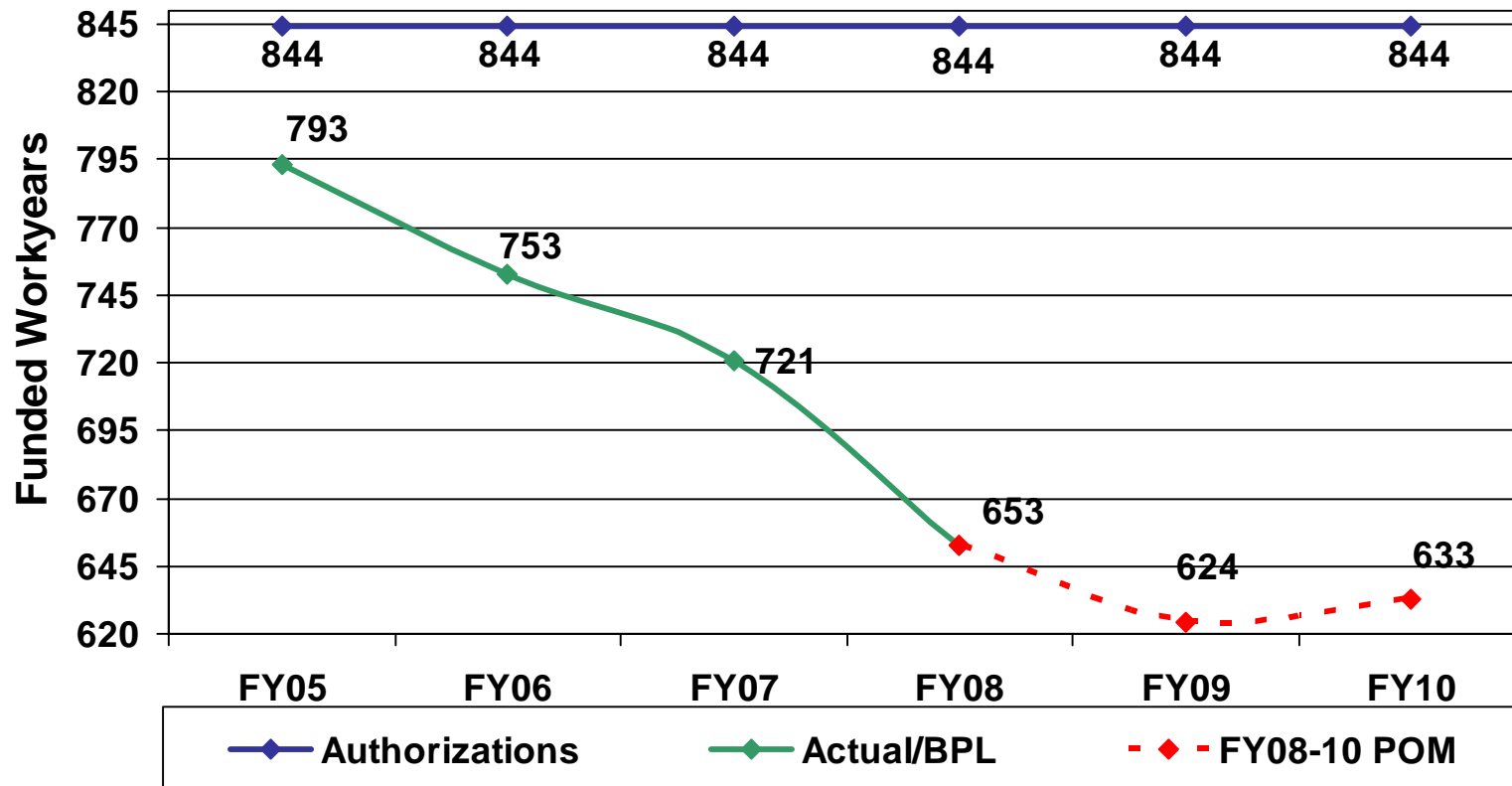


AFMC FY08-10 POM Civ Pay Impact

The Widening Gap



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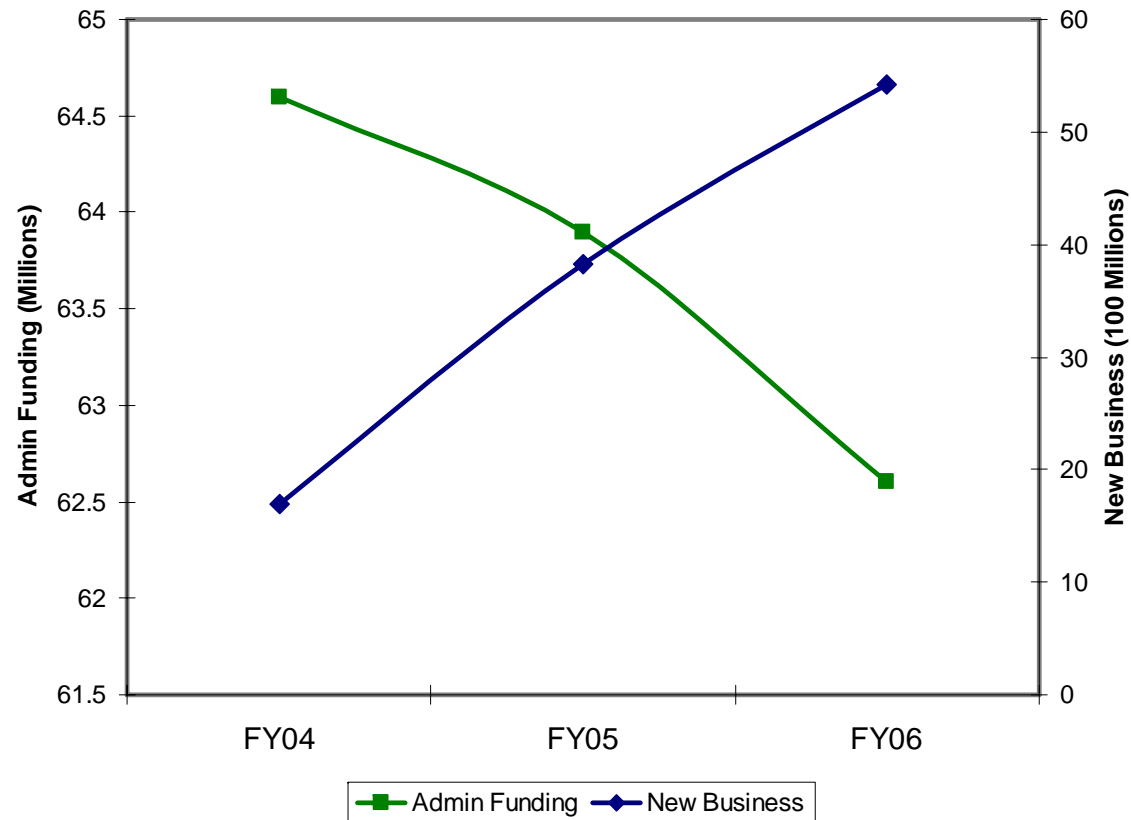
	FY06	FY07	FY08	FY09	FY10
Funded WY Decrease	-3.2%	-4.4%	-9.4%	-4.4%	1.4%
Total Authorizations	844	844	844	844	844
AFMC % Funded	89.3%	85.4%	77.4%	73.9%	75.0%



Admin Funding vs. New Business



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- Admin funding decreased by \$2 Million
- New business rose \$3.7 Billion